

Approved September 20, 2011

Minutes

Task Force on Employee Wellness and Consolidation of Agency Group Insurance

Tuesday, September 13, 2011

DHHS 401 Hungerford Road - Tan Conference Room

The meeting was called to order by Task Force Chair William (Bill) Mooney at 8:05 a.m.

Approval of Minutes

The minutes from September 6, 2011 were amended to accurately reflect that Mr. Israel, Mr. McTigue, and Ms. Riar were present. The amended minutes were approved without objection

Presentation – Montgomery County Public Schools

Mr. Johnstone provided an overview of benefits provided by Montgomery County Public Schools. Handouts were provided.

MCPS has over 22,000 employees and 10,000 retirees. Over 19,000 employees and 7,700 retirees are covered under the benefit plans. There are five medical plan options: a Blue Choice Point-of-Service (POS) Plan, a Blue Choice HMO, a United Healthcare POS, a United Healthcare HMO, and a Kaiser Permanent HMO.

There is a 3-tiered prescription plan through Caremark. Mail order of maintenance medications is required as is the use of generics.

Over the last three years, MCPS has jointly negotiated benefits with all unions at same time with a process that has all the unions at the same bargaining table. This is why there are no differences in plans for any specific represented group at MCPS.

Through collaboration with the unions, MCPS developed a wellness program called “Well Aware.” This is a global program for MCPS; much of it is set up as a competition. Part of the initial program has been measuring outcomes regarding Body Mass Index (BMI), activity measurement, weight loss, and tracking food consumption through journals. The handouts highlight outcomes including a reduction in BMI for participants and burning over 57 million calories. The outcome for BMI reduction is very important because MCPS expects it will impact heart disease.

MCPS has a wellness coordinator and a steering committee that works on wellness issues. The wellness coordinator also works with the medical plan providers that provide “soft” wellness programs. The steering committee includes representation from the each of the unions. Mr. Israel noted that the Montgomery County Education

Association (MCEA) supported funding the wellness coordinator even in budgets where school-based jobs were being reduced.

Communication about the wellness program began through blast e-mails. There is now a wellness website, a health benefits quarterly newsletter, and a monthly wellness newsletter. There are also health screenings and education seminars. There are some leaflets targeted to certain employment centers.

MCPS wants to launch a hard smoking cessation program and is working with Kaiser Permanente. Kaiser is offering an eight week program for 2 classes of 25 each (MCPS funded.) Kaiser is using a class model because programs that give people support and are behavioral modification programs have the best outcomes.

In the beginning the wellness program was funded with a grant from Kaiser but is now funding through the health trust fund.

The wellness program was first rolled out in elementary schools. There are advantages in the schools since Physical Education teachers are natural coaches. The food service staff also looked at food offered in the staff cafeteria. MCPS is encouraging people to make manageable, incremental changes that will bring results.

MCPS also believes it is important for the kids in the school to see the wellness and fitness efforts.

Mr. Goldberg asked what was needed to get people to participate in this effort and to change the culture for employees. MCPS responded that they did not change work schedules but have looked carefully at the structure of the prizes and incentives. Every school has a coach. Employees already work very hard, but MCPS hears that some have found a way to maybe get up a half hour earlier or find another time in the day. Mr. Israel noted that MCEA was thrilled that there was 50% participation in the elementary schools and believes that the teaming aspect of the program is critical.

MCPS is rolling out the program to central services this year. There is an enrollment period, a weigh-in, and BMI assessment associated with the program. MCPS does not have a specific target for enrollment.

Ms. Fidler asked if the program was open to retirees and whether the insurance companies will provide incentives. MCPS responded that they have not started a program for retirees yet and there are some hurdles to communicating with retirees. The biggest incentive is built into the insurance rates. Because MCPS is self-insured (for all plans except Kaiser) if there are fewer claims, premiums will come down. In response to questions about the availability of disease management programs, MCPS said that disease management support is available through providers but it is voluntary. MCPS does have some data on disease management compliance.

Presentation – Montgomery College (and continuation of discussion of information provided in MCPS presentation)

Ms. von Barga provided an overview of benefits provided by Montgomery College. Handouts were provided.

Montgomery College does not negotiate specific levels of coverage with any of the unions representing employees. The College works together with the unions to make recommendations to the Human Resources Office. These recommendations are forwarded to the vice president for approval.

The College looks at their plans every year to determine how to make changes to accommodate the dollars the College has available to fund medical benefits.

Currently, the College offers three medical plans, a Preferred Provider Option (PPO) and a Point of Service (POS) through CIGNA and an HMO through Kaiser Permanente. The prescription plan is a part of the medical plan (there is not a separate enrollment option) but has a separate deductible. There are increased deductibles for not using mail order and pre-authorization is required for certain drugs. There are 2,357 employees and retirees eligible for coverage under College insurance plans. CIGNA plans cover 944 active employees and 1,218 dependents. There is a higher percentage of people in the CIGNA plans that are over the age of 40 (63.7%) compared to what would be normally expected (45.3%).

There are disease management programs around the major cost drivers but there is not vendor performance tied to success around disease management or other trends in use of services. For example, the College made a change around the co-pay for the use of emergency rooms (ER) because there was data showing that there was inappropriate use of the ER. There is not an incentive to providers for a drop in ER usage. The College encourages the use of urgent care centers by setting the co-pay for urgent care the same as for a doctor's visit.

MCPS was asked about disease management incentives. Mr. Johnstone said there is disease management but it is voluntary. If the vendor calls a participant and the participant declines participation, there is no incentive or penalty tied to this.

There was a question asked about whether access to information is difficult for some people if it is only available through e-mail or as on-line programs. Mr. Johnstone said that there are certain groups where MCPS thinks this may be an issue and some information is provided in print. MCPS recognizes there are access issues and cultural issues. Ms. DeGraba noted that MCPS payroll advice information is also only available electronically and MCPS knows that at least 90% of employees are able to access payroll information on-line, so there is less of a barrier than people may think.

Mr. Mooney said that there has been discussion of incentives that are a disadvantage, but there are ways to make it to someone's advantage. For example, someone's co-pay might drop if they keep up with maintenance drugs. The Task Force may want to look at ways to create positive incentives.

Looking forward for 2012, the College realized that plan design changes would only go so far in holding down costs. For 2012, the College will offering a Consumer Driven Health Plan (CDHP) to replace the PPO plan. This change has the support of the benefits committee. There will be a College funded Health Spending Account (HSA). The main difference with implementing the high deductible plans is that people have to meet the deductible first; this will be a change and will require a lot of communication.

There is going to be a debit card for the CDHP plan's HAS. There will be an account set up with a bank and the College will not be involved people's withdrawals from the account. The responsibility for how the money will be used is the employee's. CIGNA will pick the bank, the College is not involved.

Preventive care will be covered 100%. The College is not trying to discourage preventive care.

Out of pocket maximums for a combination of medical and prescription will be \$1,700 for an individual, \$3,800 for a two-person plan, and \$3,800 for a family. This structure could actually benefit some people with expensive medications since they will hit the maximum and the College's previous plan did not have a maximum for prescription.

The College is expecting a 5% increase in the cost for Kaiser in 2012 but premiums will decrease by about 3½% for the POS and about 9% for the CDHP.

The College does have fairly robust wellness program with a wellness coordinator. There are some metrics available. The College has a lot of competitions. The College is also fortunate because there are fitness facilities available. The College offers 1½ hours of relief time if the employee can match it with their own time. This allows an employee to have enough time, for example, to exercise at lunch.

The College is looking at health risk assessments because it understands it can't have good measurements without an assessment. The College is looking at having mandatory health risk assessments as a part of plan participation. The College is also looking at having an interactive tool for employees to use to help analyze their cost and pick the correct medical plan.

Mr. McTigue asked whether there is concern that the CDHP will only be selected by younger and healthier people whether this type of plan undermines the idea of health insurance. The College responded that they looked at what being spent by users and backed into the costs. The plan will likely be good for healthy people and for some very ill people with high costs; medium users may end up spending some more dollars.

Mr. Goldberg said it will be interesting to see if any of the College's other providers respond to what happens when it puts in a CDHP. The College responded that, with the exception of Kaiser, everything is self-funded which would minimize this potential.

Mr. Penn said that as an employee he likes having more options. But, if the idea is that you are not actually lowering overall health care costs, just the costs to the employee and the other plans will absorb any overall increase, then there may be concerns for those in the other plans. Ms. von Barga responded that the College understands that under these plans (CDHPs) over time people become more educated about their health and health care choices and they become more involved in wellness that reduces costs.

Mr. McNutt noted that in terms of enhancing wellness, Kaiser has a screening van that can be brought on site for a health screenings. The screenings can be tailored to the disease or health issues that are the biggest concern. Because the UFCW is most concerned about cost containment, it has been looking at the first years of contracts that sometimes have lower costs which then rise over the term of the contract. The UFCW has been working with Mercer to shave costs off of its renewable contracts – AON might be able to help the county with this. The UFCW has also moved to supporting mandatory mail order to save several million dollars and has found the rank and file to be very accepting of this change. The UFCW has also moved to using a request for proposal (RFP) for disease management services. He is also looking at encouraging in-depth vision scanning as a screening for many diseases including heart disease and diabetes.

Mr. Lutes asked whether MCPS and the College could share what they have been able to do to date with disease management and what the challenges have been. MCPS identified some of the classic disease drivers. Mr. Johnstone said he thinks disease management has been pretty good, but the programs are voluntary and the issue is participation which is in the 50% range. The question is how to reach the other 50%. If 20%-30% of your people are using 60%-70% of your costs how do impact that? Mr. Lutes said that the Task Force has to focus on how we manage this group (or keep more people from joining the group). The Task Force should not spend as much effort on things such as changing co-pays and instead find ways to grab the 20% to 30% with large expenses and find ways to manage their diseases.

Mr. McNutt shared some information from the UFCW's experience with using an outside firm for disease management as opposed to the vendors providing the medical plans.

Ms. von Barga said one concern about using an outside firm for DM is getting the information from the insurance companies to the outside vendor. The College has about 56% of high need people participating in disease management, but are concerns about the cost of people who don't realize they are sick yet

Meeting adjourned at 9:45 a.m.

Attendees:**Task Force Members:**

Sue DeGraba	Montgomery County Public Schools (MCPS)
Karen DeLong	AFSCME Local 2380
Joan Fidler	Public Member
Erick Genser	IAFF Local 1664
Wes Girling	Montgomery County Government
Lee Goldberg	Public Member
Paul Heylman	Public Member
Tom Israel	MCEA
Rick Johnstone	MCPS
Jan Lahr-Prock	Maryland-National Capital Park and Planning Commission
Mark Lutes	Public Member
Tom McNutt	Public Member
Brian McTigue	Public Member
Edye Miller	MCAAP
William Mooney	Public Member (Chair)
Richard Penn	AAUP
Gino Renne	MCGEO Local 1994
Farzaneh Riar	Public Member
David Rodich	SEIU Local 500
Carole Silberhorn	Washington Suburban Sanitary Commission
Lynda von Bargaen	Montgomery College
Michael Young	FOP Lodge 30

Alternates:

Karen Bass (with Lynda von Bargaen)	Montgomery College
Anne McLeer (with David Rodich)	SEIU Local 500

Guests:

Councilmember George Leventhal
Lori O'Brien, Office of Management and Budget (County Government)
Patty Vitale, Chief of Staff to Councilmember Leventhal

Staff:

Craig Howard, Office of Legislative Oversight
Kristen Latham, Office of Legislative Oversight
Linda McMillan, Council Staff
Aron Trombka, Office of Legislative Oversight